



See Bentley p.2 - low  
income always tied to  
creditor concessions  
or legislation

## Jefferson County plans fund to help low-income families pay sewer bills

Published: Wednesday, October 26, 2011, 5:30 AM Updated: Wednesday, October 26, 2011, 11:36 AM



By **Barnett Wright -- The Birmingham News**



Jefferson County  
Commissioner Sandra  
Little Brown (The  
Birmingham News/Mark  
Almond)

Jefferson County plans to announce as soon as this week a \$30 million fund to help low-income residents pay their sewer bills, which are likely to increase in December, Commissioner Sandra Little Brown said Tuesday.

Brown said 33,000 residential sewer customers are estimated to be eligible for the low-income assistance program, which would be funded by sewer system creditors.

"We will set aside about \$30 million in this plan," Brown said. "This plan will not work just one month a year. ... This is continuously for 12 months."

The \$30 million is to be used to pay for the program until the county's sewer debt is repaid. The program would cost approximately \$700,000 the first year, Brown said.

But the program depends on the county reaching a final settlement with its creditors, which in turn is contingent on a special session of the Alabama Legislature being called to address the county's financial problems. The prospects for such a session are shaky at the moment.

According to the plan, customers who qualify for the low-income assistance program will pay no increased rates when the expected annual increases of approximately 8.2 percent take effect in December.

Those customers also would not pay higher rates in the second and third years of the settlement agreement between the county and creditors. Sewer department officials have estimated that the first sewer rate increase will mean a \$3-a-month increase on an average monthly bill of \$37.74.

Since there have been no sewer increases in Jefferson County since 2008, customers who qualify for the low-income program will have gone seven years without an increase in sewer rates, according to the sewer department.

Brown said some ratepayers who qualify for the program could even see a decrease in their bills. "This commission is doing everything it can to ease the burden on the backs of the ratepayers," she said.

The County Commission last month approved a conceptual settlement agreement with sewer system creditors that would increase sewer rates by approximately 8.2 percent a year for three years and no more than 3.25 percent a year afterward until the county's sewer system debt is paid.

The initial rate increase was to take effect beginning in November, with subsequent increases in November 2012 and November 2013.

However, county officials and John S. Young, the court-appointed receiver in charge of the Jefferson County sewer system, said last week the first sewer rate increase would not take effect until December.

The low-income program is still conditional on a special session of the Alabama Legislature to find a solution to the county's \$3.14 billion sewer debt and general fund budget problems, which are forcing county officials to make deep cuts in staff and services.

Gov. Robert Bentley said this month that a special session in November was unlikely to happen because Jefferson County lawmakers had not reached a consensus on a solution to the county's woes.

"There will be no low-income fund if there is no resolution to the legislation we're seeking," Commissioner Joe Knight said. "It's contingent upon all these other things taking place first."

Knight said the assistance program is part of the overall solution to the county's financial problems.

"It's something we can do, but it's going to take everybody working on that to make it work," Knight said.

*Join the conversation by clicking to comment or email Wright at [bwright@bhamnews.com](mailto:bwright@bhamnews.com).*

© 2011 al.com. All rights reserved.